



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

APPROVED

DEC 11 2018

Agenda Item Number: **60**
(This Section for use by Clerk of the Board Only.)

	AYE	NO
GORIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RABBITT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ZANE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GORE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HOPKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>

THE WITHIN INSTRUMENT IS A
CORRECT COPY OF THE ORIGINAL
ON FILE IN THIS OFFICE.

ATTEST: **DEC 11 2018**

SHERYL BRATTON, Clerk/Secretary
BY 
DEPUTY CLERK/ASST. SECRETARY

To: Sonoma County Board of Supervisors

Board Agenda Date: December 11, 2018

Vote Requirement: 4/5

Department or Agency Name(s): General Services

Staff Name and Phone Number:

Caroline Judy: 707-565-8058
Marc McDonald: 707-565-3468

Supervisory District(s):

Countywide

Title: Disposal of the Chanate Campus

Recommended Actions:

- A. Adopt a resolution authorizing the issuance of a request for proposals in connection with the possible sale of the Chanate Campus; declaring its intention to consider proposals for the sale of such property and setting a time for a meeting to receive proposals; making certain findings and giving direction to staff.
- B. Adopt a resolution authorizing \$800,354 from deferred maintenance to provide funds necessary for building hardening, fire watch and security costs (4/5 vote required)

Executive Summary:

On July 11, 2017, the Board adopted Ordinance No. 6205 authorizing the Development and Disposition Agreement ("DDA") to sell land known as the Chanate Campus to Chanate Community Development Partners, LLC as the best option to repurpose the Chanate Campus. On October 16, 2018, the Board rescinded its approval of the DDA in compliance with the Court's finding that the County failed to comply with the California Environmental Quality Act (CEQA) in approving the DDA.

In response to the options and information provided in the October 16, 2018 staff report and public comment regarding the future of the Chanate Campus, the Board directed staff to initiate the process to dispose of the property as surplus and to return to the Board with analysis and options for further consideration.

The California Government Code (the Code) prescribes the process the County must follow to dispose of real property. Section 54220 of the Code requires the County to declare the property as surplus. After the declaration of the property as surplus the County must first offer to sell the property to statutorily designated public agencies or housing sponsors to facilitate the development of affordable housing, parks, or school facilities. If the property is not sold to qualified agencies for purposes described in the Code, then the property may be offered for sale to private parties.

The Board's direction and prior discussions identified three primary objectives for the surplus sale of the Chanate property: 1) Maximize the value of the property sale to enable reinvestment in other County properties, specifically revitalizing the County Government Center; 2) Sell the property expeditiously to reduce the significant ongoing operating costs for security and fire watch; and, 3) Consider means of protecting Parcel J and Rural Cemetery.

The Board further directed staff to return with options and recommendations to structure the sale under two scenarios:

- (1) Sale of the Campus to a single purchaser.
- (2) Simultaneous sale of the twelve legally defined parcels as illustrated in Attachment 2.

Staff present for Board consideration a third approach:

- (3) The simultaneous sale of three defined groups of parcels on the Chanate Campus.

Based upon Board direction a single solicitation will be issued allowing interested parties the opportunity to respond to one or more of the above described alternatives. Staff believes this approach will best support the Board's primary objective to enhance the value received for the sale of the property.

The Board additionally directed staff to explore means to protect Parcel J as open space. In response to Board direction, Parcel J will be excluded from the inventory of properties available for sale as surplus. Recommendations in support of Board direction to protect Parcel J will be brought to the Board for consideration at a later date.

Discussion:

On February 2, 2016, the Board authorized staff to issue a Request for Proposals (RFP) to identify a developer to work with the County and the City of Santa Rosa for the development and sale of the Chanate property. On July 11, 2017, the Board adopted Ordinance No. 6205 authorizing the Development and Disposition Agreement ("DDA") to sell the Chanate Campus to Chanate Community Development Partners, LLC as the best option to repurpose the Chanate Campus.

On July 20, 2018, the Court sustained a challenge to adoption of the Ordinance No. 6205 and ordered the Board to vacate its adoption of the Ordinance on that basis that the County failed to conduct environmental review of the site before approving the DDA and, therefore failed to comply with CEQA.

In compliance with the Court's order the Board voted to vacate Ordinance No. 6205 on October 9, 2018. On October 23, 2018 the Board adopted Ordinance No. 6246 which formally rescinded Ordinance No. 6205. The Board further directed staff to dispose of the property as surplus following California Government Code Section 54220, which prescribes the process for disposal of government surplus property.

Under Government Code 54220, following a declaration of property as surplus the County is required to make an initial offering of the property for sale to: (1) government agencies and nonprofits for the

purpose of developing low to moderate-income housing; (2) government agencies for open-space purposes; and, (3) local school districts for school facilities construction or open-space purposes. In partnership with the County's Community Development Commission, the General Services Department has established a list of agencies and nonprofits engaged in the development of low to moderate income housing. Staff will send a Notice of Availability of Surplus Land to statutorily designated public agencies and housing sponsors engaged in the development of affordable housing, parks, and schools. The notice will request offers for acquisition of the Chanate Campus.

If no suitable offers are received from the agencies described above, then the property may be offered for sale to private individuals and companies. The County will have no obligation to accept any offer and will reserve the right to reject all offers that it considers unsatisfactory.

Property Value

Staff have proceeded based upon the direction that the Board's objective is to maximize the value to the taxpayer for the sale of the property. Property value is dependent upon many factors including property physical characteristics, access, easements or encumbrances, available infrastructure, market demand, comparable sales, risks associated with the future entitlement processes, use of the property, re-use potential of existing structures or alternatively the costs to demolish the same, and anticipated community support or opposition to possible uses.

Property appraisals use different types of valuation analysis methodologies to determine valuation. The County has conducted two prior property appraisals, the first in 2014 and another in 2016. Both appraisals considered "as improved" valuations with assumptions about the possible number of units, mix of housing types, sizes and quality, in addition to estimated costs to demolish the Chanate Hospital. Additionally, market conditions have changed. Relatively low interest rates, national economic recovery, and pressing needs to replace housing stock lost in the fires will likely influence values for developable land at the Chanate site.

Staff has contracted with an appraisal firm to provide an updated estimate of value for the Chanate property. Delivery of the new appraisal is anticipated in late January. The appraiser has been asked to provide estimates of value for the "Highest and Best Use" of the whole property in its current condition. Staff have provided no assumptions regarding housing unit mix and types. No assumptions regarding demolition costs have been provided. With this information, staff believe the anticipated appraisal will indicate a value that reflects an estimate of the amount the development community would be willing to pay for the whole property, excluding Parcel J. The appraiser was not given instructions to provide estimates of value based on alternate sales strategies.

Other Property Considerations

The Board also directed staff to explore ways to protect Parcel J, a 9.96 acre parcel of undeveloped land as an open space resource situated between Parcel N the Sonoma County Water Authority flood control facility (APN 180-090-007) and Parcel O dedicated to the Sonoma County Agricultural Preservation and Open Space District (APN 180-020-010). County staff, Agriculture Preservation and Open Space staff,

and City staff are in discussions regarding models to address Parcel maintenance, and will bring an update to the Board at a later date.

Community and Board comments at the meeting of October 16, 2018 recognized the complexity of the Chanate campus. Total acreage of the site exceeds 80 acres. While significant areas of the property are suitable for development, portions of the property are devoted to flood control, open space and burial grounds. Infrastructure and improvements, many of which were built in the first half of the 20th Century, are in poor condition.

Surplus Sale Strategies

The Board directed staff to dispose of the Chanate property to meet the following goals: 1) Maximize the value of the property sale to enable reinvestment in other County properties, specifically revitalizing the County Government Center; 2) Sell the property expeditiously to reduce the significant ongoing operating costs for security; 3) Consider means of protecting Parcel J and Rural Cemetery.

The Board further directed staff to explore surplus sale strategies ranging from surplus sale of each parcel as a separate transaction to individual purchasers to a surplus sale of the campus as a single transaction to a single developer. Each proposal and each strategy has strengths as well as weaknesses, as discussed more fully below. The Board has the discretion to accept or reject proposals and to determine whether these have met the Board's primary objectives.

(1) Individual Parcels

Staff considers separate sale of each of the twelve Chanate parcels a high risk approach to disposal of the Chanate Campus that will lead to valuations below appraised value. The Chanate property contains twelve parcels. At least two parcels, Parcel 8 and Parcel 9, are not accessible via an existing right of way. The lack of access to these properties will severely affect the development potential for these properties, resulting in low values and potentially no offers for the properties. Other properties are similarly impacted with potentially impaired access to utilities as well as right of way. Staff does not recommend sale of individual parcels.

(2) Single Transaction

Surplus sale of the campus as a single transaction to a single developer is likely to yield the appraised value. The transaction structure will be familiar to the development community. Prospective bidders will be able to employ industry-standard models that reflect the values of affordable housing developers as well as those of the market rate developers. As a result this form of sale will likely yield offers similar to the appraised value.

(3) Parcel Bundles

Given prior Board feedback, staff also recommend surplus sale of the campus in three bundles. Each bundle would be comprised of adjacent parcels consolidated into a unit. Bundle One would be the 20+ acre portion of the Chanate Campus north of Chanate Road. Bundle Two would be the 30+ acre Southeast portion of the Chanate Campus containing the Cemetery and various improvements,

including the Norton Center and two wood office buildings. Bundle Three would be the 20+ acre Southwest portion of the Chanate Campus, containing the foundations of the original hospital and various buildings. Interested parties could submit proposals for one or more bundle.

The bundles on the South side of Chanate Road are likely to yield values similar to appraised values. There is a possibility that their relatively smaller size of twenty acres may invite competition from a wider variety of developers, potentially leading to offers above appraised value. The parcels on the North side of the Campus are substantially improved. The substantially improved state of the property, consisting of installed utility infrastructure and buildings with potential for re-use could be considered desirable features of the property. Staff recommends the Board review and potentially accept proposals from developers to purchase the Chanate Campus as three bundled properties.

Parcels excluded from Sale

In all instances parcels excluded from sale will be:

- (1) APN 180-090-007 consisting of 26+ acres owned by Sonoma County Water Agency. This parcel is a critical part of the County's flood control infrastructure. Exclusion of this parcel dedicated to flood control from sale will have no impact on potential value.
- (2) APN 180-820-010 consisting of 7+ acres owned by Sonoma County Open Space District. This parcel has been deeded to the citizens of the County of Sonoma as a wildlife corridor as a support element of the flood control infrastructure. Exclusion of this parcel dedicated to flood control will have no impact on potential value.
- (3) APN 180-020-009 consisting of 1 acre owned by Sonoma County Open Space District. This parcel has been deeded to the citizens of the County of Sonoma in support of flood control and as a wildlife corridor. Exclusion of this parcel dedicated to flood control will have no impact on potential value.
- (4) APN 180-090-016 consisting of about 9.96 acres of land owned by Sonoma County and designated as Parcel J. This parcel will be dedicated for public access and use. Exclusion of this parcel dedicated to flood control will have no impact on potential value.

Additional Limitations

The County currently occupies a portion of the Administrative Building in Parcel A as the site for the Public Health Lab and a portion of Parcel G for the County Morgue. These facilities provide a critical service for the Bay Area and must remain operational until a suitable replacement is identified. Purchasers will be required to take possession of the parcel subject to the County's retention of exclusive access to and control of the facilities.

The Public Health Lab is a secure, critical Bay Area facility that is integrated into the current 18,071 square foot Department of Health Services Administration Building. Purchasers will be required to take possession of the parcel subject to the County's retention of exclusive access to and control of the Public

Health Lab in exchange for Fair Market Rent for a term sufficient to allow the County to design and build a replacement facility.

The County Morgue is a 7,550 square foot special use facility operated by the Sheriff's Department. Staff recommends that the successful purchaser be required to take possession of the parcel subject to the County's retention of exclusive access to and control of the County Morgue in exchange for Fair Market Rent for a term sufficient to allow the County to design and build a replacement facility.

Security and Property Maintenance

The County has posted "No Trespassing" signs on the campus and has authorized the City of Santa Rosa Police to arrest trespassers. There have been arrests and convictions as a result of these actions. The fire alarm and suppression systems in the former hospital are not operational due to vandalism. As a community-wide safety measure, the Santa Rosa Fire Department has required the County to maintain a 24 hour 7 day a week Fire Watch on the campus at a cost of \$19,000 per month or \$228,000 per year. The current monthly cost for the contract security, separate from the Fire Watch program, is \$14,000 per month, and covers a limited portion of the campus.

Costs to harden the Hospital and the Chanate Office Building against vandalism have totaled \$63,000 to date. Ongoing property management expenses associated with reducing vegetation using goat herds is expected to cost \$100,415 per season for Parcels J, E and F, and utilities within all of the vacant buildings are anticipated to cost \$73,620 per year.

The departure of the remaining County Department of Health Services operations is scheduled for February 2019. Beginning as early as March, County buildings with the exception of the DHS Administration Building and the Morgue are anticipated to be unoccupied. The loss of County presence on the site has potential to increase the risk of vandalism and consequently security expenses. Beginning in March 2019, contract security costs will double to \$28,000 per month to cover the expanded area.

Management of this risk may be mitigated by installing metal mesh over all windows and chain link over doors to deter access by vandals. The metal mesh barrier has successfully deterred vandalism at Chanate Hall. Additionally, fencing needs to be installed at choke points to deter vehicular access to the building. The total cost for hardening of this facility was \$63,000. County staff anticipates a need to similarly harden the newly vacant buildings on the South Campus at an additional cost of \$287,910 to cover penetrations and \$10,000 for fencing at critical access points to deter vehicular access for a total of \$297,910. The buildings that need to be hardened include the Family Practice Center, DHS Fiscal, Norton Center, Norton Annex, the old Public Health Clinic and Annex and the Wellness Center.

Staff recommends this investment as it has proven successful in protecting Chanate Hall from vandalism. Staff also recommends extending contract security obligations to newly vacant areas beginning March 2019. The expenses incurred to date and anticipated are summarized in the Fiscal section below.

Current Tenants

Although most of the non-profit tenants of the Chanate properties have relocated two tenants remain; Community Action Partnership and the Bird Rescue Center.

Community Action Partnership (CAP) occupies approximately 21,580 square feet according to terms of a ground lease that expires on January 31, 2023. Upon expiration of the term CAP may remain on the premises on a month-to-month basis terminable by either party on thirty days advance notice. During the hold-over period CAP will be required to pay monthly rent of two-thousand dollars (\$2,000). CAP occupancy of approximately one-half acre of land on the Chanate campus will likely impair the Chanate campus sale value. Staff recommends sale of the property subject to the terms and conditions of the current lease.

Bird Rescue Center occupies buildings and one-half acre of land according to the terms of License Agreement that expires on February 15, 2019. The property occupied by Bird Rescue is part of a larger legally defined parcel. Bird rescue pays for utilities, but pays no rent under a license that expires on February 15, 2019. County staff have made significant efforts over the past two years to identify an alternative location. None of the available properties has been satisfactory to Bird Rescue. There is a lack of resources for further support of Bird Rescue's search for alternative space. Bird Rescue occupancy of approximately one-half acre of land on the Chanate campus will likely impair the Chanate campus sale value. Staff recommends this License expire without renewal or extension.

Summary

California Government Code Section 54220 and following prescribes the process for disposal of government surplus property. Following a declaration of property as surplus the County is required to offer the property for sale to: (1) government agencies and nonprofits for the purpose of development of affordable housing; (2) government agencies for open-space purposes; and, (3) local school districts for school facilities construction or open-space purposes. If no offers are received from the agencies described above, then the property can then be offered for sale to private individuals and companies.

Staff will send a Notice of Availability of Surplus land to each agency and non-profit requesting their expression of interest in the acquisition of the surplus property and requesting the submittal of an offer of consideration for the property.

If no suitable offers are received from the agencies described above, then the property may be offered for sale to private individuals and companies.

Staff will evaluate and rank all responses from government agencies and nonprofits for the above described governmental purposes, and, if the property is not sold then a solicitation will be issued to private individuals and companies with the goal of maximizing the dollar value received.

All responses will be evaluated based on the dollar value of proposed consideration, demonstrated ability to deliver full cash value at closing, and experience of the respondent in development of properties for purposes described in the Code.

Responses from agencies and nonprofits are projected to be received in July. Staff will return to the Board after review and evaluation of responses with recommendations to award in September.

Following sale of the property the County will have no role in the planning, permitting and development process. The successful respondent(s) will work with the City of Santa Rosa and the community for visioning, permitting and realization of the long term development and use of the Chanate campus.

Recommendation

Authorize staff to commence the process to dispose of the property as surplus in accordance with State law as prescribed at Section 54220 of the California Government Code under alternative scenarios of: sale of the campus to a single purchaser; or simultaneous sale of three bundles of parcels.

Prior Board Actions:

October 16, 2018: the Board adopted an Ordinance to rescind its approval of the Disposition and Development Agreement with Chanate Community Development Partners, LLC.

July 11, 2017: the Board adopted Ordinance No. 6205 authorizing the Development and Disposition Agreement ("DDA") to sell land known as the Chanate Campus to Chanate Community Development Partners, LLC.

February 2, 2016: the Board authorized staff to issue an RFP to identify a developer to work with the County and the City of Santa Rosa for the development of the Chanate property.

August 11, 2015: the Board directed Staff to develop a Request for Proposals (RFP) to solicit a master developer to work with the County to plan for development of the property.

Strategic Plan Alignment Goal 3: Invest in the Future

Fiscal Summary			
Expenditures	FY 18-19 Adopted	FY 19-20 Projected	FY 20-21 Projected
Budgeted Expenses	\$12,556	\$362,035	\$0
Additional Appropriation Requested	\$800,354		
Total Expenditures	\$812,910	\$1,362,035	
Funding Sources			
General Fund/WA GF	\$12,556	\$0	\$0
State/Federal			
Fees/Other			
Use of Fund Balance	\$800,354	\$362,035	\$0
Contingencies			
Total Sources	\$812,910	\$362,035	\$0
Narrative Explanation of Fiscal Impacts:			
<p>Based on experience with the closed Chanate Hospital, staff recommends the County invest in additional measures to secure and protect the Chanate campus from vandalism through the anticipated sale of the property in the fall of 2020. Measures recommended range from hardening buildings through blocking vehicular access and establishment of routine fire and safety patrols. These measures and their fiscal impacts are described further below.</p> <p>County staff anticipates a need to harden newly vacant buildings on the South Campus at a cost of \$287,910 to cover penetrations and \$10,000 for fencing at critical access points to deter vehicular access, as described above. The buildings that would be hardened in the fashion would be the Family Practice Center, DHS Fiscal, Norton Center, Norton Annex, the old Public Health Clinic and Annex and the Wellness Center. Staff recommends this investment as it has proven successful in protecting Chanate Hall from vandalism.</p> <p>As outlined in the table below, the County has incurred \$195,000 in building hardening, fire watch, and security costs-to-date. Fire Watch expenses have been incurred at the direction of the City of Santa Rosa Fire Department. These services are required for the safety of the community when building fire alarm systems are inoperable. Staff estimates an additional \$617,910 in costs for the remainder of the fiscal year to maintain safety and security at Chanate property. Staff will continue working on vegetation management strategies in the current fiscal year, therefore these potential expenses are not included. Staff recommends the use of available Deferred Maintenance fund balance to fund these expenses.</p> <p>Staff estimates a cost of \$362,035 in FY 19-20 to cover fire watch, security, utilities, and property management expenses through October 2019.</p>			

Depending on the selected option for surplus, the FY 19-20 estimates may change and if so, General Services will return to the Board during the FY 19-20 budget.

Action	To Date	Remaining 18-19	FY 19-20 (July-Oct)
Building Hardening	\$63,000	\$297,910	NA
Fire Watch	\$76,000	\$152,000	\$76,000
Security	\$56,000	\$168,000	\$112,000
Utilities	NA	NA	\$73,620
Property Management	NA	TBD	\$100,415
Total	\$195,000	\$617,910	\$362,035

Staffing Impacts

Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
None			

Narrative Explanation of Staffing Impacts (If Required):

Attachments:

Attachment 1: Resolution
Attachment 2: Campus Layout
Attachment 3: Budget Resolution
Attachment 4: Powerpoint Presentation

Related Items "On File" with the Clerk of the Board:



County of Sonoma
State of California

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CORRECT COPY OF THE ORIGINAL
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ATTEST: DEC 11 2018

SHERYL BRATTON, Clerk/Secretary
BY *Risa Shump*
DEPUTY CLERK/ASST. SECRETARY

Date: December 11, 2018

Item Number: 60
Resolution Number: 18-0530



4/5 Vote Required

**Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California,
Authorizing Budgetary Transfer from Capital Projects to the General Services 2018-19
Adopted Budget, In the Amount of \$800,354**

Whereas, the Board of Supervisors has adopted a Final Budget for the General Services and Capital Projects on June 14, 2018,

Whereas, the Government Code §29125 allows for transfers and appropriations revisions to the Adopted Budget during the Fiscal Year,

Now, Therefore, Be It Resolved that the County Auditor-Controller is hereby authorized and directed to make the following budgetary adjustments:

Financing Uses:

CAPITAL PROJECTS (23027): DEFERRED MAINTENANCE (40803600),
FUND BALANCE \$800,354

GENERAL FUND (10005): GENERAL SERVICES FACILITIES OPERATIONS
(21020400), TRANSFERS IN – BTW FUNDS (47102) \$800,354

Financing Sources:

CAPITAL PROJECTS (23027): DEFERRED MAINTENANCE (40803600),
TRANSFERS OUT – BTW FUNDS (57012) \$800,354

GENERAL FUND (10005): GENERAL SERVICES FACILITIES OPERATIONS
(21020400), MAINTENANCE-EQUIPMENT (51061) \$360,910

GENERAL FUND (10005): GENERAL SERVICES FACILITIES OPERATIONS
(21020400), OTHER CONTRACT SERVICES (51803) \$439,444

Resolution #18-0580 TABAC
Date: December 11, 2018

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Supervisors:

Gorin: Aye

Rabbitt: Aye

Zane: Aye

Hopkins: Aye

Gore: Aye

Ayes: 5

Noes: 0

Absent: 0

Abstain: 0

So Ordered.



County of Sonoma
State of California

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ATTEST: DEC 11 2018

SHERYL BRATTON, Clerk/Secretary
BY 
DEPUTY CLERK/ASST. SECRETARY

Date: December 11, 2018

Item Number: 60

Resolution Number: 18-0529

☐ 4/5 Vote Required

**Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California,
AUTHORIZING THE ISSUANCE OF A REQUEST FOR PROPOSALS IN CONNECTION WITH THE
POSSIBLE SALE OF THE CHANATE CAMPUS; DECLARING ITS INTENTION TO CONSIDER
PROPOSALS FOR THE SALE OF SUCH PROPERTY AND SETTING A TIME FOR A MEETING TO
RECEIVE PROPOSALS; MAKING CERTAIN FINDINGS AND GIVING DIRECTION TO STAFF**

Whereas, the County of Sonoma currently owns the parcels collectively known and commonly referred to as the Chanate Campus located in Santa Rosa; and

Whereas, the County is authorized to undertake a surplus sale of the Chanate Campus pursuant to Government Code section 54220 *et al.*; and

Whereas, the Board of Supervisors has directed the General Services Director to initiate the surplus property procedures regarding the possible sale of the Chanate Campus; and

Whereas, a notice of surplus government property sale ("Surplus Property Sale Notice") has been prepared for Board's consideration; and

Whereas, the Surplus Property Sale Notice sets out the County's goals for the simultaneous sale of all parcels referred to as the Chanate Campus and maximizing the monetary return for the sale of the property such that said return can be leveraged to consolidate County programs for efficiency of operations and to reduce the number "doors" for public access to services; and

Whereas, responses received to the solicitation of proposals will assist the County in determining whether the sale of the property is feasible and consistent with the County's goals;

Now, Therefore, Be It Resolved

1. *Truth of Recitals.* The foregoing recitations are true and correct.
2. *Solicitation of Proposals.* Staff shall release the Surplus Property Sale Notice by February 11, 2019, and shall post of copy of the Surplus Property Sale Notice on the Department of General Services website and purchasing portal. Statements of Proposals in response to the Surplus Property Sale Notice shall be due on or before 2:00 pm PST on May 10, 2019.
3. *California Environmental Quality Act ("CEQA").* The sale of property pursuant to the surplus procedures set forth in Government Code section 54220 *et al.* is categorically exempt from CEQA unless the property proposed for sale is located in an "area of statewide, regional, or areawide concern identified in CEQA Guidelines section 15206(b)(4). The Chanate campus is not located in in a critical environmentally sensitive area of statewide, regional, or areawide concern, as identified in said Section 15206(b)(4). Nor do any of general exceptions enumerated in CEQA Guidelines section 15300.2 apply to the proposed surplus sale. Further, the proposed surplus sale does not commit the County to a particular course of action regarding the development of the Chanate campus; rather, the surplus sale procedures offers a process that will help the County determine whether a straightforward surplus sale of the Chanate property is feasible to dispose of this underutilized asset. Thus, the issuance of the Surplus Property Notice soliciting offers to dispose of the Chanate campus does not constitute a "project under CEQA and is excluded from the requirements of CEQA pursuant to CEQA Guidelines sections 15061(b)(3), 15352, and 15378. The Board hereby directs staff to post a notice of exemption.
4. *Declaration of Intent to Accept Proposals.* Pursuant to Government Code Section 54222, the Board declares its intention to consider proposals for the purchase and sale of the Chanate property to the entities and for the purposes described in Sections 54220 and following of the Government Code.
5. *Reservation of Rights.* The Board reserves all rights available to it under applicable law, including without limitation, with or without cause and with or with notice, the right to modify or discontinue the Surplus Property Sale Notice at any time.

Be It Further Resolved

Resolution #18-0529
Date:December 11, 2018
Page 3

Supervisors:

Gorin: Aye

Rabbitt: Aye

Zane: Aye

Hopkins: Aye

Gore: Aye

Ayes: 5

Noes: 0

Absent: 0

Abstain: 0

So Ordered.

